103D CONGRESS 1ST SESSION

H. R. 1818

To amend the Solid Waste Disposal Act to require a refund value for certain beverage containers, and to provide resources for State pollution prevention and recycling programs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 22, 1993

Mr. Markey (for himself, Mr. Henry, Mr. Upton, Mr. Bonior, Mr. Beil-ENSON, Mr. Brown of California, Mr. Dellums, Mr. Waxman, Mr. MILLER of California, Mrs. Schroeder, Ms. DeLauro, Mr. Walsh, Mrs. Johnson of Connecticut, Mrs. Kennelly, Mr. Hoekstra, Ms. Pelosi, Mr. Yates, Mr. Frank of Massachusetts, Mr. Olver, Mr. STUDDS, Mr. ANDREWS of Maine, Mr. Conyers, Mr. Kildee, Mr. STUPAK, Mr. KENNEDY, Mrs. MORELLA, Mr. PALLONE, Mr. McHALE, Mr. Ackerman, Mr. Hinchey, Mr. Owens, Mr. Schumer, Mr. Stokes, Mr. Evans, Mr. Kopetski, Mr. Sanders, Mr. Romero-Barceló, Mr. DE LUGO, Mr. LEVIN, Mr. FORD of Michigan, Mr. NADLER, Mr. FILNER, Ms. Slaughter, Mr. Wyden, Ms. Eshoo, Ms. Furse, Mr. Kreidler, Ms. Schenk, Ms. Margolies-Mezvinsky, Mr. Leach, Mrs. Maloney, Mr. GILCHREST, Mr. BLACKWELL, Ms. WOOLSEY, Mr. EDWARDS of California, Mr. Berman, Mr. Stark, Mr. Lantos, Mr. Carr, Mr. DeFazio, Mr. Franks of New Jersey, Mr. McDermott, Mr. Shays, and Ms. SNOWE) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend the Solid Waste Disposal Act to require a refund value for certain beverage containers, and to provide resources for State pollution prevention and recycling programs, and for other purposes.

- Be it enacted by the Senate and House of Representa-1 tives of the United States of America in Congress assembled, 3 **SECTION 1. SHORT TITLE.** 4 This Act may be cited as the "National Beverage" Container Reuse and Recycling Act of 1993". SEC. 2. FINDINGS. 7 The Congress finds the following: (1) The failure to reuse and recycle empty bev-8 9 erage containers represents a significant and unnec-10 essary waste of important national energy and mate-11 rial resources. 12 (2) The littering of empty beverage containers constitutes a public nuisance, safety hazard, and 13 14 aesthetic blight and imposes upon public agencies, 15 private businesses, farmers, and landowners unnec-16 essary costs for the collection and removal of such 17 containers. 18 (3) Solid waste resulting from such empty bev-19 erage containers constitutes a significant and rapidly 20 growing proportion of municipal solid waste and increases the cost and problems of effectively manag-21 22 ing the disposal of such waste. 23
 - (4) It is difficult for local communities to raise the necessary capital needed to initiate comprehensive recycling programs.

- (5) The reuse and recycling of empty beverage containers would help eliminate these unnecessary burdens on individuals, local governments, and the environment.
 - (6) Several States have previously enacted and implemented State laws designed to protect the environment, conserve energy and material resources and promote resource recovery of waste by requiring a refund value on the sale of all beverage containers, and these have proven inexpensive to administer and effective at reducing financial burdens on communities by internalizing the cost of recycling and litter control to the producers and consumers of beverages.
 - (7) A national system for requiring a refund value on the sale of all beverage containers would act as a positive incentive to individuals to clean up the environment and would result in a high level of reuse and recycling of such containers and help reduce the costs associated with solid waste management.
 - (8) A national system for requiring a refund value on the sale of all beverage containers would result in significant energy conservation and resource recovery.

- 1 (9) The reuse and recycling of empty beverage 2 containers would eliminate these unnecessary bur-3 dens on the Federal Government, local and State 4 governments, and the environment.
 - (10) The collection of unclaimed refunds from such a system would provide the resources necessary to assist comprehensive reuse and recycling programs throughout the Nation.
 - (11) A national system of beverage container recycling is consistent with the intent of the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 6901 et seq.).
 - (12) The provisions of this Act are consistent with the goals set in January 1988, by the Environmental Protection Agency, which establish a national goal of 25 percent source reduction and recycling by 1992, coupled with a substantial slowing of the projected rate of increase in waste generation by the year 2000.
- 20 SEC. 3. AMENDMENT OF SOLID WASTE DISPOSAL ACT.
- 21 (a) AMENDMENT.—The Solid Waste Disposal Act is
- 22 amended by adding the following new subtitle at the end
- 23 thereof:

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- 24 "SUBTITLE K—BEVERAGE CONTAINER RECYCLING
- 25 "SEC. 12001. DEFINITIONS.
- 26 "For purposes of this subtitle—

- "(1) The term 'beverage' means beer or other malt beverage, mineral water, soda water, wine cooler, or a carbonated soft drink of any variety in liquid form intended for human consumption.
 - "(2) The term 'beverage container' means a container constructed of metal, glass, plastic, or some combination of these materials and having a capacity of up to one gallon of liquid and which is or has been sealed and used to contain a beverage for sale in interstate commerce. The opening of a beverage container in a manner in which it was designed to be opened and the compression of a beverage container made of metal or plastic shall not, for purposes of this section, constitute the breaking of the container if the statement of the amount of the refund value of the container is still readable.
 - "(3) The term 'beverage distributor' means a person who sells or offers for sale in interstate commerce to beverage retailers beverages in beverage containers for resale.
 - "(4) The term 'beverage retailer' means a person who purchases from a beverage distributor beverages in beverage containers for sale to a consumer or who sells or offers to sell in commerce beverages in beverage containers to a consumer.

- 1 "(5) The term 'consumer' means a person who 2 purchases a beverage container for any use other 3 than resale.
- "(6) The term 'refund value' means the amount specified as the refund value of a beverage container under section 12002.
- "(7) The term 'wine cooler' means a drink containing less than 7 percent alcohol (by volume), consisting of wine and plain, sparkling, or carbonated water and containing any one or more of the following: non-alcoholic beverage, flavoring, coloring materials, fruit juices, fruit adjuncts, sugar, carbon dioxide, preservatives.

14 "SEC. 12002. REQUIRED BEVERAGE CONTAINER LABELING.

"Except as otherwise provided in section 12007, no beverage distributor or beverage retailer may sell or offer for sale in interstate commerce a beverage in a beverage container unless there is clearly, prominently, and securely affixed to, or printed on, the container a statement of the refund value of the container in the amount of 10 cents. The Administrator shall promulgate rules establishing uniform standards for the size and location of the refund value statement on beverage containers. The 10 cent amount specified in this section shall be subject to adjustment by the Administrator as provided in section 12008.

1 "SEC. 12003. ORIGINATION OF REFUND VALUE.

- 2 "For each beverage in a beverage container sold in
- 3 interstate commerce to a beverage retailer by a beverage
- 4 distributor, the distributor shall collect from the retailer
- 5 the amount of the refund value shown on the container.
- 6 With respect to each beverage in a beverage container sold
- 7 in interstate commerce to a consumer by a beverage re-
- 8 tailer, the retailer shall collect from the consumer the
- 9 amount of the refund value shown on the container. No
- 10 person other than the persons described in this section
- 11 may collect a deposit on a beverage container.

12 "SEC. 12004. RETURN OF REFUND VALUE.

- 13 "(a) PAYMENT BY RETAILER.—If any person tenders
- 14 for refund an empty and unbroken beverage container to
- 15 a beverage retailer who sells (or has sold at any time dur-
- 16 ing the period of 3 months ending on the date of such
- 17 tender) the same brand of beverage in the same kind and
- 18 size of container, the retailer shall promptly pay such per-
- 19 son the amount of the refund value stated on the
- 20 container.
- 21 "(b) Payment by Distributor.—If any person
- 22 tenders for refund an empty and unbroken beverage con-
- 23 tainer to a beverage distributor who sells (or has sold at
- 24 any time during the period of 3 months ending on the
- 25 date of such tender) the same brand of beverage in the
- 26 same kind and size of container, the distributor shall

- 1 promptly pay such person (1) the amount of the refund
- 2 value stated on the container, plus (2) an amount equal
- 3 to at least 2 cents per container to help defray the cost
- 4 of handling. This subsection shall not preclude any person
- 5 from tendering beverage containers to persons other than
- 6 beverage distributors.
- 7 "(c) AGREEMENTS.—(1) Nothing in this subtitle
- 8 shall preclude agreements between distributors, retailers,
- 9 or other persons to establish centralized beverage collec-
- 10 tion centers, including centers which act as agents of such
- 11 retailers.
- 12 "(2) Nothing in this subtitle shall preclude agree-
- 13 ments between beverage retailers, beverage distributors, or
- 14 other persons for the crushing or bundling (or both) of
- 15 beverage containers.
- 16 "SEC. 12005. ACCOUNTING FOR UNCLAIMED REFUNDS AND
- 17 **PROVISIONS FOR STATE RECYCLING FUNDS.**
- 18 "(a) UNCLAIMED REFUNDS.—At the end of each cal-
- 19 endar year each beverage distributor shall pay to each
- 20 State an amount equal to the sum by which the total re-
- 21 fund value of all containers sold by the distributor for re-
- 22 sale in that State during that year exceeds the total sum
- 23 paid during that year by the distributor under section
- 24 12004(b) to persons in that State. The total of unclaimed
- 25 refunds received by any State under this section shall be

- 1 available to carry out pollution prevention and recycling
- 2 programs in that State.
- 3 "(b) Refunds in Excess of Collections.—If the
- 4 total of payments made by a beverage distributor in any
- 5 calendar year under section 12004(b) for any State exceed
- 6 the total refund value of all containers sold by the dis-
- 7 tributor for resale in that State, the excess shall be cred-
- 8 ited against the amount otherwise required to be paid by
- 9 the distributor to that State under subsection (a) for a
- 10 subsequent calendar year designated by the beverage dis-
- 11 tributor.
- 12 "SEC. 12006. PROHIBITIONS ON DETACHABLE OPENINGS
- 13 AND POST-REDEMPTION DISPOSAL.
- 14 "(a) Detachable Openings.—No beverage dis-
- 15 tributor or beverage retailer may sell, or offer for sale,
- 16 in interstate commerce a beverage in a metal beverage
- 17 container a part of which is designed to be detached in
- 18 order to open such container.
- 19 "(b) Post-Redemption Disposal.—No retailer or
- 20 distributor or agent of a retailer or distributor may dis-
- 21 pose of any beverage container labeled under section
- 22 12002 or any metal, glass, or plastic from such a beverage
- 23 container (other than the top or other seal thereof) in any
- 24 landfill or other solid waste disposal facility.

"SEC. 12007. EXEMPTED STATES.

- 2 "(a) IN GENERAL.—The provisions of sections 12002
- 3 through 12005 and sections 12008 and 12009 of this sub-
- 4 title shall not apply in any State which—
- 5 "(1) has adopted and implemented require-
- 6 ments applicable to all beverage containers sold in
- 7 that State which the Administrator determines to be
- 8 substantially identical to the provisions of sections
- 9 12002 through 12005 and sections 12008 and
- 10 12009 of this subtitle; or
- 11 "(2) demonstrates to the Administrator that,
- for any period of 12 consecutive months following
- the date of the enactment of this subtitle, such State
- achieved a recycling or reuse rate for beverage con-
- tainers of at least 70 percent.
- 16 If at any time following a determination under paragraph
- 17 (2) that a State has achieved a 70 percent recycling or
- 18 reuse rate the Administrator determines that such State
- 19 has failed, for any 12-consecutive month period, to main-
- 20 tain at least a 70 percent recycling or reuse rate of its
- 21 beverage containers, the Administrator shall notify such
- 22 State that, upon the expiration of the 90-day period fol-
- 23 lowing such notification, the provisions under sections
- 24 12002 through 12005 and sections 12008 and 12009 shall
- 25 be applicable to that State until a subsequent determina-

- 1 tion is made under subparagraph (A) or a demonstration
- 2 is made under subparagraph (B).
- 3 "(b) DETERMINATION OF TAX.—No State or political
- 4 subdivision which imposes any tax on the sale of any bev-
- 5 erage container may impose a tax on any amount attrib-
- 6 utable to the refund value of such container.
- 7 "(c) Effect on Other Laws.—Nothing in this
- 8 subtitle shall be construed to affect the authority of any
- 9 State or political subdivision thereof to enact or enforce
- 10 (or continue in effect) any law respecting a refund value
- 11 on containers other than beverage containers or from reg-
- 12 ulating redemption and other centers which purchase
- 13 empty beverage containers from beverage retailers, con-
- 14 sumers, or other persons.
- 15 "SEC. 12008. REGULATIONS.
- 16 "Not later than 12 months after the enactment of
- 17 this subtitle, the Administrator shall prescribe regulations
- 18 to carry out this subtitle. The regulations shall include a
- 19 definition of the term 'beverage retailer' in a case in which
- 20 beverages in beverage containers are sold to consumers
- 21 through beverage vending machines. Such regulations
- 22 shall also adjust the 10 cent amount specified in section
- 23 12002 to account for inflation. Such adjustment shall be
- 24 effective 10 years after the enactment of this subtitle and

- 1 additional adjustments shall take effect at 10 year inter-
- 2 vals thereafter.
- 3 "SEC. 12009. PENALTIES.
- 4 "Any person who violates any provision of section
- 5 12002, 12003, 12004, or 12006 shall be subject to a civil
- 6 penalty of not more than \$1,000 for each violation. Any
- 7 person who violates any provision of section 12005 shall
- 8 be subject to a civil penalty of not more than \$10,000 for
- 9 each violation.
- 10 "SEC. 12010. EFFECTIVE DATE.
- 11 "Except as provided in section 12008, this subtitle
- 12 shall take effect 2 years after the date of its enactment.".
- 13 (b) Table of Contents.—The table of contents for
- 14 such Act is amended by adding the following at the end
- 15 thereof:

"SUBTITLE K—BEVERAGE CONTAINER RECYCLING

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[&]quot;Sec. 12001. Definitions.

[&]quot;Sec. 12002. Required beverage containers labeling.

[&]quot;Sec. 12003. Origination of refund value.

[&]quot;Sec. 12004. Return of refund value.

[&]quot;Sec. 12005. Accounting for unclaimed refunds and provisions for State recycling funds.

[&]quot;Sec. 12006. Prohibitions on detachable openings and post-redemption disposal.

[&]quot;Sec. 12007. Exempted States.

[&]quot;Sec. 12008. Regulations.

[&]quot;Sec. 12009. Penalties.

[&]quot;Sec. 12010. Effective date.".